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DEPARTMENT OF STATE TELEGRAM

INDICATE
☐ COLLECT
☐ CHARGE TO

FROM: AMEMBASSY BUENOS AIRES
CLASSIFICATION: CONFIDENTIAL

E.O. 11652: GDS
TAGS: PINS, SHUM AR
SUBJECT: Detention of La Opinion's Director Jacobo Timerman

ACTION: SECSTATE WASHDC PRIORITY

INFO: AMEMBASSY MONTEVIDEO

CONFIDENTIAL BUENOS AIRES 3133

REF: (a) State 90875, (b) State 92286, (c) Buenos Aires 3052, (d) Buenos Aires 3054

AMB
DCM
POL3
POL/R
ECOM
USIS
RF
CHRON

1. Hector Timerman, age 23, thanked Embassy for Department's expression of concern for his father, Jacobo Timerman, which we informed him, had been transmitted to GOA "informally via diplomatic channels."

2. The son stated that, as Jacobo was being held incommunicado in La Plata under the Executive power, none of the family had seen him yet. However, according to those (Enrique Jara and Ramiro de Casasbellas) who were required to participate in a cross examination with Timerman, he appeared to be in a bad mental state. As far as they could tell, however, he had not been tortured.

3. Commenting on what appears to be parts of Timerman's sworn testimony to the police, which was reprinted at length in

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POL:YThayer

AMB:RCHill

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"La Prensa" of Apr 26, editor Mario Diament (who accompanied the son to the Embassy) stated that he believed that Timerman's affirmations of being a "left-Zionist" and a "marxist" were made of his own free will, although probably taken out of context deliberately. According to Diament, Timerman regards himself as a marxist, but anti-communist, intellectual and a Zionist in the sense that he supports the existence of the State of Israel.

4. In response to our question, Hector stated that at one time David Graiver had a 45% interest in the two enterprises "Olta" and "Gustavo", and Timerman and Abraham Rutemberg had 55%. However, Graiver's share was reduced so that at present his heirs have no more than a 2% interest. At no time, Hector stated, was Graiver represented on the board nor did he take any part in the newspaper's decisionmaking.

5. Noting that the legal justification for Jacobo's preventive detention had been significantly reduced from suspicion of subversive links to "economic crimes unrelated to subversion," Hector said he believed that this related to the accusation by Graiver's widow, Lidia Papaleo, that Timerman had failed to hold a stockholders' meeting, as required by Argentine law, before increasing the enterprise's capital in order to reduce Graiver's share of ownership. Hector denied Mrs. Graiver's charges, saying that a stockholders' meeting was duly held at the time.

6. Hector denied that exPresident Lanusse held any shares in

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the enterprise.

7. Neither Hector nor Diament had any information concerning the whereabouts of the missing Edgardo Sajon.

8. Asked why he thought his father had been jailed in the first place, Hector said he believed that the Provincial Police and Army officers who initiated the investigation were inspired by antisemitism and were seeking to take over the government. Somewhat excitedly, he likened the present climate in Argentina to that in Germany just before Hitler's putsch. Diament feared that President Videla would be unable to rein in First Corps Commander General Suarez Mason and Governor St. Jean. Diament noted that Suarez Mason was due to be retired by the end of this year under Army regulations and so he had to move soon if he wished to seize power.

9. Diament thought that a popular $\overset{\text{might be}}{\text{mood/created}}$ to single out Jewish firms ~~(Graiver, Gelbard and Jewish money changers)~~ and alleged that the coup plotters were being supported by financial interests which stood to gain commercially from the investigation. Diament alleged that "La Prensa's" publication of extracts from Timerman's testimony was prima facie evidence that those leaking the information had "graduated" from the provincial paper "La Nueva Provincia" to the "big time" and that "La Prensa" was becoming the mouthpiece for the hardline conspirators. "La Nacion" and "Clarin" had benefited handily from

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the sale of Graiver's paper plant, "Papel Prensa," at windfall prices. Another firm financing General Suarez Mason's ambitions, Diament charged, was after Graiver's Bristol commercial center complex in a choice site adjacent to the Casino in Mar del Plata.

10. According to "La Prensa," and subsequently repeated in other local newspapers, Timerman has testified that Graiver originally held 45% in "La Opinion," Timerman 45% and Rutenberg 10%. However, Mrs. Graiver alleged that Rutenberg's shares really belonged to Graiver and that she had his certificates in her possession. According to her statement, Rutenberg received payment, presumably for these shares, in 1976. According to "La Prensa's" account, following Graiver's death, Timerman, without giving due notice to the Graiver family, reorganized the capital of "Olta" so that Timerman acquired a 65% interest, Rutenberg 30% and the Graivers' interest was reduced to 5%. In the same way, "Gustavo" was reorganized so that Timerman acquired 68%, Rutenberg 30% and the Graiver estate reduced to 2%.

11. In a separate conversation with the Ambassador, "Herald" editor Robert Cox stated that he also had heard that Timerman was in bad mental shape, crying, etc. Commenting on Timerman's alleged testimony as leaked to the press, Cox's editorial of April 27 noted that it

smacked of the confessions of "crimes against the people" so typical of East European political trials. "Yet," noted the "Herald's" editorial, "even in the leaks (which are from unnamed sources), Mr. Timerman is not charged with involvement in subversion. The financial juggling denounced sounds suspect; but we are being fed allegations, not proof. Some things with which he is charged, or is alleged to have confessed, are quite ridiculous. What is wrong with being a leftwing Zionist? It sounds like one of Mr. Timerman's jokes. Is it wrong to have set up a newspaper along the lines of "Le Monde" (that was certainly no secret)...If Mr. Timerman is suspected of committing a crime, he should be tried in a court of law."

12. The military evidently also are having second thoughts about the press leaks. In an apparent attempt to quell the wave of rumors, the First Army Command, presumably reflecting the outlook of Army G4 General Gallino, the military investigating judge appointed by President Videla in the Graiver affair, issued a warning that press accounts concerning the investigation were the responsibility of the editors who published them.

13. Enrique Jara's interview with the Uruguayan "Mundo Color" has been reprinted here, stating that he had been offered a position in the OAS (as executive secretary of the Human Rights Committee) by the United States; he is also quoted as saying he had broken with Timerman and would never work with him again, even if Timerman were found not guilty of the

charges against him, because Timerman had lied to Jara (presumably about the ownership arrangement in "La Opinion").

14. "La Opinion" has announced that during the forced absence of Jacobo Timerman, the editorial staff under the direction of Casasbellas was assuming responsibility for the newspaper's editorial policy. Diament told us this was intended to minimize the possibility of any further moves by the government against the newspaper. In response to our question, Hector denied that the paper was in any financial difficulty and asserted the newspaper would continue to be published unless it were intervened by the military authorities.

15. The editors of "La Opinion" also called for a thorough investigation of the Graiver affair "to its ultimate consequences." (Francisco Manrique, whose name has also been featured prominently in the accusations that have circulated, also called for a thorough investigation in his newspaper. Manrique defended Graiver, saying that there had not been any imputations against his moral character when he served as Secretary in Manrique's Ministry of Social Welfare in the Lanusse government. If Graiver was subsequently corrupted, Manrique wrote, let's find out who corrupted him no matter whether the corrupters wear military uniforms, are men of the cloth, or from any other walk of life.)

[redacted]

16. COMMENT: While, as we have reported earlier, antisemitism to some degree has motivated those who initiated the investigation, this is not the major element in the Graiver affair. The Timerman boy's comparisons with Nazi Germany are grossly exaggerated. However, the Jewish community is concerned that, because of the high profile of Jews involved in this case, it could lead to a snowballing effect of further antisemitic ~~actions~~. manifestations.

HILL

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